

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
ANGELA D. JOHNSON,)
STATE OF OHIO DEPARTMENT OF)
TAXATION,)
PORTAGE COUNTY, OHIO)
PORTFOLIO RECOVERY ASSOCIATES,)
LLC)
TAX EASE OHIO, LLC)
MIDLAND FUNDING, LLC)
U.S. BANK)
)
Defendants.)
_____)

COMPLAINT

The Plaintiff, the United States of America, by its undersigned counsel, at the request and with the authorization of a delegate of the Secretary of the Treasury and as directed by a delegate of the Attorney General, brings this complaint, pursuant to 26 U.S.C. §§ 7401 and 7403 to reduce to judgment certain unpaid taxes, penalties, and interest owed by defendant Angela D. Johnson, to establish the validity of the tax liens associated with these liabilities and to determine

that those liens attach to all property and rights to property belonging to Johnson, and to collect those liabilities through the judicial sale of a certain parcel of real property, identified below, in accordance with law. For these purposes, the United States complains and alleges as follows:

Jurisdiction, Venue, and Parties

1. The Court has jurisdiction over this civil action pursuant to 28 U.S.C. §§ 1331, 1340, and 1345, and 26 U.S.C. §§ 7402 and 7403.
2. Venue is proper in the Court pursuant to 28 U.S.C. §§ 1391(b) and 1396.
3. Plaintiff is the United States of America.
4. Defendant Johnson resides within the jurisdiction of this Court.
5. Defendant State of Ohio, Department of Taxation, is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the real property located at 526 Vine Street, Kent, Ohio 44240 (the “Property”), which is located within the jurisdiction of this Court and is legally described as follows:

Situated in the City of Kent, County of Portage, and State of Ohio: And known as being Forty Four and two-thirds (44 2/3) feet off the North side of Lot No. 15, in Block No. 2, of Zena’s Kent’s Heirs Addition to the Village of Kent, as the same is platted and recorded in Plat Book 2, Page 47, Portage County Recorder’s Office Plat Records.

6. Defendant Portage County, Ohio is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the Property.
7. Defendant Portfolio Recovery Associates, LLC, is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the Property.
8. Defendant Tax Ease Ohio, LLC, is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the Property.

9. Defendant Midland Funding, LLC, is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the Property.

10. Defendant U.S. Bank is named as a defendant to this civil action as required by 26 U.S.C. § 7403(b) because it has or may claim an interest in the Property.

Count 1
To Reduce Federal Tax Liabilities to Judgment

11. The United States incorporates by reference the above allegations of paragraphs 1 through 10 as paragraph 11 of the Complaint.

12. On the following dates, a delegate of the Secretary of the Treasury made the following assessments of federal income taxes, penalties, and interest owed by Johnson, for the following taxable years, in the following amounts, which have the following balances due, with accrual and costs, as of May 12, 2016:

Period Ending	Assessment Type	Assessment Date	Assessment Amount	Balance Due as of 05/12/2016
12/31/2005	Tax	05/29/2006	\$43,743.00	\$26,153.58
	Estimated Tax Penalty	05/29/2006	\$1,754.60	
	Late Payment Penalty	05/29/2006	\$437.43	
	Interest	05/26/2006	\$370.65	
12/31/2006	Tax	06/04/2007	\$44,848.00	\$81,989.67
	Estimated Tax Penalty	06/04/2007	\$2,122.40	
	Late Filing Penalty	06/04/2007	\$2,017.01	
	Late Payment Penalty	06/04/2007	\$448.18	
	Interest	06/04/2007	\$516.03	
12/31/2007	Tax	09/30/2013	\$34,983.00	\$57,009.26
	Estimated Payment Penalty	09/30/2013	\$1,181.00	
12/31/2008	Tax	06/01/2009	\$61,031.00	\$92,836.34
	Estimated Payment Penalty	04/15/2009	\$142.00	
	Late Payment Penalty	06/01/2009	\$610.31	
	Interest	06/01/2009	\$315.88	
12/31/2009	Tax	06/14/2010	\$32,917.00	\$43,836.79
	Estimated Payment Penalty	06/14/2010	\$788.00	
	Late Payment Penalty	06/14/2010	\$292.12	
	Interest	06/14/2010	\$192.70	
12/31/2010	Tax	05/30/2011	\$55,610.00	\$80,046.86
	Estimated Payment Penalty	05/30/2011	\$784.00	
	Late Payment Penalty	05/30/2011	\$556.10	
	Interest	05/30/2011	\$274.90	
12/31/2011	Tax	06/17/2013	\$38,396.00	\$47,394.84
	Estimated Payment Penalty	06/17/2013	\$503.96	
	Late Filing Penalty	06/17/2013	\$6,389.10	
	Late Payment Penalty	06/17/2013	\$2,129.70	
	Interest	06/17/2013	\$1,243.30	

Period Ending	Assessment Type	Assessment Date	Assessment Amount	Balance Due as of 05/12/2016
12/31/2012	Tax	06/24/2013	\$15,628.00	\$21,539.11
	Estimated Tax Penalty	06/24/2013	\$270.00	
	Late Filing Penalty	06/24/2013	\$680.26	
	Late Payment Penalty	06/24/2013	\$226.75	
	Interest	06/24/2013	\$91.15	
Total Due				\$450,806.45

13. A delegate of the Secretary of Treasury of the United States issued notices of the assessments described in paragraph 12, above, and made demands for payment, to Johnson in accordance with the law.

14. Despite such notices and demands for payment, Johnson has failed, neglected, or refused to fully pay the liabilities described in paragraph 12, above, and, after the application of all abatements, payments, credits, accruals and costs, Johnson remains liable to the United States in the amount of \$450,806.45, plus statutory additions from May 12, 2016, including interest pursuant to 26 U.S.C. §§ 6601, 6621, 6622, and 28 U.S.C. § 1961(c).

Count 2 Collection and Lien Enforcement

15. The United States incorporates by reference the above allegations of paragraph 1 through paragraph 14 as paragraph 15 of the Complaint.

16. By Warranty Deed dated October 27, 1997, and recorded on November 4, 1997, with the Portage County Recorder's Office at Volume 245, Pages 3-4, Johnson acquired title to and ownership of the Property.

17. The failure, neglect, or refusal of Johnson to pay the assessments described in paragraph 12, above, following notices of those assessments and demands for payment of the same, gave rise, as of the dates of the assessments, to liens for those liabilities in favor of the

United States, pursuant to 26 U.S.C. §§ 6321 and 6322, upon all property and rights to property belonging to Johnson, including the Property.

18. In accordance with 26 U.S.C. § 6323(f), a delegate of the Secretary of the Treasury filed with the Portage County Recorder's Office notices of federal tax liens ("NFTLs") for the tax liabilities of Johnson, on the following dates:

Taxable Years	Date NFTL filed
2005	01/18/2011
2006	01/18/2011
2007	11/26/2013
2008	01/18/2011
2009	01/18/2011
2010	12/06/2011
2011	08/28/2013
2012	08/28/2013

19. Pursuant to 26 U.S.C. § 7403, the United States is entitled to judgment collecting the liabilities described herein, and enforcing the liens securing them, through the judicial sale of the Property free and clear of all rights, titles, claims, and interests, and without the right of redemption, of the parties, and distributing the proceeds of such sale, after the payments of the costs of sale and any local real estate taxes due and owing, to the United States and to the other parties to the extent they each establish a valid claim, in such amounts and in accordance with their priorities as the Court shall determine.

WHEREFORE, plaintiff United States of America prays:

(a) that the Court enter judgment in favor of plaintiff United States of America and against defendant Angela D. Johnson for the taxes, penalties, and interest, for the tax periods

identified above in the total amount of \$450,806.45, plus statutory additions from May 12, 2016, including interest pursuant to 26 U.S.C. §§ 6601, 6621, 6622, and 28 U.S.C. § 1961(c);

(b) that the Court determine and adjudge that the United States holds valid and subsisting tax liens under 26 U.S.C. § 6321 and that those liens have attached to all property and rights to property belonging to Angela D. Johnson;

(c) that the Court determine and adjudge that the taxes, penalties, and interest owed by Angela D. Johnson, as described herein, shall be collected, and that the liens identified above have attached to the Property and shall be enforced, through the judicial sale of the Property free and clear of all rights, title, liens, claims, and interests, and without the right of redemption, of the parties hereto, with proceeds of such sale to be distributed, after the payments of the costs of sale and any local real estate taxes due and owing, to the United States and to other parties to the extent they each establish a valid claim, in such amounts, and in accordance with their priorities, as the Court shall determine; and,

(d) that the Court award the United States its costs and such further relief as the Court deems just and proper.

Respectfully submitted,

CAROLINE D. CIRAOLO
Acting Assistant Attorney General
U.S. Department of Justice, Tax Division

/s/ Robert J. Wille
ROBERT J. WILLE
Trial Attorney, Tax Division
U.S. Department of Justice
P.O. Box 55, Ben Franklin Station
Washington, D.C. 20044
T: (202) 514-5573
F: (202) 514-5238
Robert.J.Wille@usdoj.gov